



Top Questions and Answers

1. What is Treasury's new *myRA* ("my Retirement Account") program?

Treasury will develop the *myRA*_{SM} program to offer a new retirement savings account to help people looking for a simple, safe, and affordable way to start saving—especially new savers. This account will hold a new "add on" Treasury security in an individual retirement account (an IRA) so savers will add to the value of a single security with each contribution they make, rather than buying additional securities.

The retirement savings account will be a Roth IRA and have the same tax treatment and follow the rules of Roth IRAs. It will have no fees and can be opened for as little as \$25 through payroll direct deposit. The account balance will never go down in value and the security in the account, like other U.S. savings bonds and Treasury securities, will be backed by the U.S. Treasury.

2. When will people be able to sign up for *myRA*?

Treasury will begin rolling out *myRA* in late 2014.

3. How will people sign up for *myRA*?

Initially, participating employers will make *myRA* information available to their employees. Once the accounts are available, employees will be able to enroll in the program with a minimum contribution of \$25. An employee can then elect to have a portion of each paycheck—\$5 or more—directly deposited into their *myRA* automatically.

4. Who will be able to invest in *myRA*?

myRA will be Roth IRA accounts with Roth IRA annual income eligibility limits—which means that people who have an annual income of less than \$129,000 for individuals and \$191,000 for couples can participate. These limits are subject to annual cost-of-living adjustments. Each individual saver, not the employer, will be responsible for complying with these income limits.

5. What benefits will *myRA* offer?

As with all Treasury securities, the security held in each *myRA* will be backed by the U.S. Treasury. *myRA* account balances will never go down. Additional features will include:

- As little as \$25 to open an account
- Contribute \$5 or more every payday
- Deposits automatic every payday
- No fees
- Portable – not tied to a single employer
- Roth IRA tax advantages
- Contributions can be withdrawn tax free
- Earnings can be withdrawn tax free after five years and the saver is 59½
- Low risk
- Information is private and secure
- Account holders can build savings for 30 years or until their *myRA* reaches \$15,000— whichever comes first. After that, *myRA* balances will transfer to private-sector retirement accounts. Treasury will finalize rollover procedures when it launches *myRA* this year.



myRA is a service mark of the U.S. Department of the Treasury.
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6. Will *myRA* be made available by all employers?

Employers will not be required to make *myRA* available to their employees. Treasury's research, however, indicates that the *myRA* program will fill a void for workers and employers alike, especially employees without an employer-sponsored plan and employees who do not qualify for their employers' existing retirement plans. The *myRA* program will offer employers an easy way to help their employees improve their financial stability by saving for retirement.

7. How will *myRA* work for people who move to a new job or need to work more than one job?

A saver who changes jobs can continue to add savings to an existing *myRA* account by setting up deposits through any employer that offers payroll direct deposit. A saver with multiple jobs will be able to use direct deposit from each paycheck to contribute to a single *myRA*.

8. Is *myRA* meant to replace employer 401(k) plans?

No. Treasury intends for the *myRA* program to help the millions of working Americans who don't have access to an employer-sponsored retirement plan. Employees who are eligible for an employer-sponsored plan will continue to have many good reasons to participate in their employer plans rather than the *myRA* program.

9. Where can people find more information?

myRA information is available at www.treasurydirect.gov/readysavegrow or (800) 553-2663.